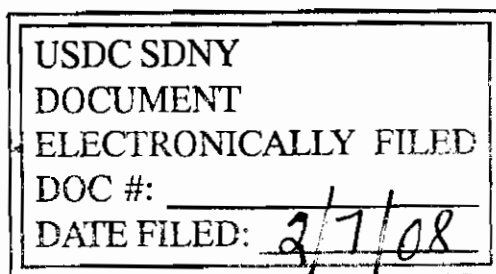


Paul Hastings



Paul, Hastings, Janofsky & Walker LLP
Park Avenue Tower
75 East 55th Street
First Floor
New York, NY 10022
telephone 212-318-6000 • facsimile 212-319-4090 • www.paulhastings.com

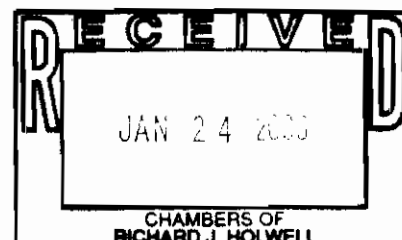
Atlanta
Beijing
Brussels
Chicago
Hong Kong
London
Los Angeles
Milan
New York
Orange County
Palo Alto
Paris
San Diego
San Francisco
Shanghai
Stamford
Tokyo
Washington, DC

(212) 318-6085
barrysher@paulhastings.com

January 23, 2008

BY FACSIMILE (212-805-7948)

Hon. Richard J. Holwell
Daniel Patrick Moynihan
United States Courthouse
500 Pearl Street, Room 1950
New York, New York 10007



Re: *Prudential Retirement Insurance and Annuity Company v. State Street Bank and Trust Company and State Street Global Advisors, Inc.*, Index No. 07-cv-8488 (RJH)

Dear Judge Holwell:

Pursuant to the proposed scheduling order submitted to the Court on January 16, 2008, Defendants State Street Bank and Trust Company and State Street Global Advisors (together, "State Street") intend to respond to Prudential's complaint in the above-captioned matter on February 4, 2008. At that time, State Street will file a motion to dismiss the Prudential complaint for the reasons outlined in our November 21, 2007 letter to the Court, which include Prudential's lack of standing to sue on behalf of the Plans where Prudential has already reimbursed the Plans for their alleged investment losses. We write to advise the Court that in light of documents Prudential recently produced regarding approximately \$79 million in payments Prudential has made to the Plans to reimburse them for their alleged losses, State Street's motion will also seek, in the alternative, summary judgment on the issue of Prudential's right under ERISA to seek recovery of these payments on the Plans' behalf.

We have conferred with counsel for Prudential and both parties are prepared to proceed on the schedule noted above. Although we believe the substantive issues were sufficiently addressed at the pre-motion conference on January 4, 2008, we are available at the Court's

Paul Hastings

Hon. Richard J. Holwell
January 23, 2008
Page 2

convenience if Your Honor would like to discuss further any aspect of State Street's motion in the Prudential case.

Respectfully,

Barry Sher

Barry Sher
of PAUL, HASTINGS, JANOFSKY & WALKER LLP

cc: Edwin G. Schallert, Esq.

LEGAL_US_E # 78020429.2

*Defendants may proceed
with their motion
without the need for
a pre-motion conference*

SO ORDERED

[Signature]

USJT

1/31/08